

1 COOLEY LLP  
2 THOMAS J. FRIEL, JR. (SBN 80065)  
(tfriel@cooley.com)  
3 101 California Street  
5th Floor  
4 San Francisco, CA 94111-5800  
Telephone: (415) 693-2000  
5 Facsimile: (415) 693-2222

6 SARAH J. GUSKE (SBN 232467)  
7 (sguske@cooley.com)  
8 WAYNE O. STACY (*pro hac vice*)  
9 (wstacy@cooley.com)  
10 380 Interlocken Crescent, Suite 900  
Broomfield, CO 80021-8023  
Telephone: (720) 566-4000  
Facsimile: (720) 566-4099

11 Attorneys for Plaintiff OPEN TEXT S.A.

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

16 || OPEN TEXT S.A.,

**Plaintiff,**

V.

## Defendants

Case No. C 13-04910 JD

## OPEN TEXT S.A.'S TRIAL BRIEF

Date: January 21, 2014  
Time: 3:00 p.m.  
Place: Courtroom 11, 19<sup>th</sup> Floor  
Judge: Hon. James Donato

TABLE OF CONTENTS

1	I.	CAUSES OF ACTION .....	1
2	A.	Direct Infringement .....	1
3	B.	Indirect Infringement .....	1
4	1.	Contributory Infringement .....	1
5	2.	Induced Infringement .....	2
6	C.	Willful Infringement .....	2
7	D.	Damages, Fees, and Costs .....	3
8	1.	Reasonable Royalty .....	3
9	2.	Prejudgment Interest .....	4
10	3.	Enhanced Damages .....	4
11	4.	Attorneys' Fees .....	5
12	5.	Accounting .....	5
13	6.	Injunctive Relief .....	5
14	II.	REMAINING DEFENSES .....	6
15	A.	Validity .....	6
16	1.	Prior Art .....	6
17	2.	Anticipation .....	7
18	3.	Obviousness .....	8
19	4.	Unpatentable Subject Matter .....	8
20	5.	Obviousness-Type Double Patenting .....	9
21	6.	Enablement .....	9
22	B.	Carahsoft's Double Recovery Defense .....	9
23	C.	28 U.S.C .....	10
24	D.	Defendants' Failure to Mark Defense .....	10

**TABLE OF AUTHORITIES**

	Page(s)
<b>Cases</b>	
<i>Alice Corp. Pty. Ltd. v. CLS Bank Int'l,</i> 134 S. Ct. 2347 (2014) .....	9
<i>Apple Inc. v. Samsung Electronics Co.,</i> 735 F.3d 1352 (Fed. Cir. 2013).....	6
<i>Aro Mfg. Co. v. Convertible Top Replacement Co.,</i> 377 U.S. 476 (1964) .....	2, 10
<i>Aspex Eyewear, Inc. v. Revolution Eyewear, Inc.,</i> No. CV99-1623LGB, 2001 WL 34852696 (C.D. Cal. 2001) .....	7
<i>Avia Group Int'l, Inc. v. L.A. Gear Cal., Inc.,</i> 853 F.2d 1557 (Fed.Cir. 1988).....	5
<i>Bard Peripheral Vascular, Inc. v. W.L. Gore &amp; Assocs., Inc.,</i> 682 F.3d 1003 (Fed. Cir. 2012).....	3
<i>Brooktree Corp. v. Advanced Micro Devices, Inc.,</i> 977 F.2d 1555 (Fed. Cir. 1992).....	5
<i>Commil USA v. Cisco Sys.,</i> 720 F.3d 1361 (Fed. Cir. 2013) cert. granted 190 L. Ed. 474 (2014) .....	2
<i>Cross Med. Prods., Inc. v. Medtronic Sofamor Danek, Inc.,</i> 424 F.3d 1293 (Fed. Cir. 2005).....	1
<i>DeLorme Publ'g Co. v. BriarTek IP, Inc.,</i> No. 13-CV-640, 2014 WL 6603988 (E.D. Va. Nov. 19, 2014).....	7
<i>Dow Chem. Co. v. Mee Indus., Inc.,</i> 341 F.3d 1370 (Fed. Cir. 2003).....	3
<i>eBay Inc. v. MercExchange, LLC,</i> 547 U.S. 388 (2006) .....	6
<i>Finjan, Inc. v. Secure Computing Corp.,</i> 626 F.3d 1197 (Fed. Cir. 2010).....	5
<i>In re Fisher,</i> 427 F.2d 833 (C.C.P.A. 1970) .....	9
<i>Fresenius USA, Inc. v. Baxter Int'l, Inc.,</i> 582 F.3d 1288 (Fed.Cir.2009).....	5, 8

1	<i>General Motors Corp. v. Devex Corp.</i> , 461 U.S. 648 (1983).....	4
2		
3	<i>Georgia-Pacific Corp. v. United States Plywood Corp.</i> , 318 F. Supp. 1116 (S.D.N.Y.1970).....	4
4		
5	<i>Global-Tech Appliances, Inc. v. SEB S.A.</i> , 131 S.Ct. 2060 (2011).....	2
6		
7	<i>In re Hiok Nam Tay</i> , No. 2014-1415, 2014 U.S. App. LEXIS 19815 (Fed. Cir. Oct. 14, 2014).....	8
8		
9	<i>Invitrogen Corp. v. Clontech Labs., Inc.</i> , 429 F.3d 1052 (Fed. Cir. 2005).....	9
10		
11	<i>Iron Grip Barbell Co., Inc. v. USA Sports, Inc.</i> , 392 F.3d 1317 (Fed. Cir. 2004).....	8
12		
13	<i>Johns Hopkins Univ. v. CellPro, Inc.</i> , 152 F.3d 1342 (Fed. Cir. 1998).....	9
14		
15	<i>Johnston v. IVAC</i> , 885 F.2d 1574 (Fed. Cir. 1989).....	1
16		
17	<i>KSR Int'l Co. v. Teleflex, Inc.</i> , 550 U.S. 398 (2007).....	8
18		
19	<i>Kyocera Wireless Corp. v. ITC</i> , 545 F.3d 1340 (Fed. Cir. 2008).....	7
20		
21	<i>Larson v. United States</i> , 26 Cl. Ct. 365 (Ct. Cl. 1992) .....	10
22		
23	<i>Markman v. Westview Instruments, Inc.</i> , 517 U.S. 370 (1996) .....	1
24		
25	<i>Maxwell v. Baker, Inc.</i> , 86 F.3d 1098 (Fed. Cir. 1996).....	4
26		
27	<i>Microsoft Corp. v. i4i Ltd. Partnership</i> , 131 S. Ct. 2238 (2011) .....	6
28		
29	<i>Monarch Knitting Mach. Corp. v. Sulzer Morat GmbH</i> , 139 F.3d 877(Fed. Cir. 1998).....	6
30		
31	<i>N. Telecom, Inc. v. Datapoint Corp.</i> , 908 F.2d 931 (Fed. Cir. 1990).....	1
32		
33	<i>PharmaStem Therapeutics, Inc. v. ViaCell, Inc.</i> , 491 F.3d 1342 (Fed. Cir. 2007).....	2
34		

1	<i>Rite-Hite Corp. v. Kelley Co.</i> , 56 F.3d 1538 (Fed.Cir.1995) (en banc).....	4, 5
2		
3	<i>Robert Bosch LLC v. Pylon Mfg. Corp.</i> , 659 F. 3d 1142 (Fed. Cir. 2011).....	6
4		
5	<i>In re Seagate</i> , 497 F.3d at 1371.....	3
6		
7	<i>Selant Sys. Int'l v. TEK Global S.R.L.</i> , 2014 U.S. Dist. LEXIS 31528 (N.D. Cal. 2014).....	10
8		
9	<i>SRI Intern., Inc. v. Internet Sec. Sys., Inc.</i> , 511 F.3d 1186 .....	7
10		
11	<i>SRI Int'l, Inc. v. Advanced Tech. Labs., Inc.</i> , 127 F.3d 1462 (Fed. Cir. 1997).....	10
12		
13	<i>Systron-Donner Corp. v. Palomar Sci. Corp.</i> , 239 F. Supp. 148 (N.D. Cal. 1965) .....	10
14		
15	<i>Therasense, Inc. v. Becton, Dickinson &amp; Co.</i> , 593 F.3d 1325 (Fed. Cir. 2010).....	7
16		
17	<i>Titan Tire Corp. v. Case New Holland, Inc.</i> , 566 F.3d 1372 (Fed. Cir. 2009).....	6
18		
19	<i>Toxgon Corp. v. BNFL, Inc.</i> , 312 F.3d 1379 (Fed. Cir. 2002).....	10
20		
21	<i>Transocean Offshore Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.</i> , 617 F.3d 1296 1305 (Fed. Cir. 2010).....	8
22		
23	<i>Tulip Computers Int'l B.V. v. Dell Computer Corp.</i> , 262 F. Supp. 2d 358 (D. Del. 2003).....	10
24		
25	<i>WhitServe, LLC v. Computer Packages, Inc.</i> , 694 F.3d 10 (Fed. Cir. 2012).....	4, 5
26		
27	<b>Statutes</b>	
28		
29	<b>28 U.S.C. 1498</b> .....	10
30		
31	28 U.S.C. § 1498(a) .....	10
32		
33	35 U.S.C. § 101 .....	8, 9
34		
35	35 U.S.C. § 102 .....	7
36		
37	35 U.S.C. § 103 .....	8
38		

1	35 U.S.C. § 271(a) .....	1
2	35 U.S.C. § 271(b) .....	1, 2
3	35 U.S.C. § 271(c) .....	1, 2
4	35 U.S.C. § 282 .....	6
5	35 U.S.C. § 284 .....	3, 5
6	35 U.S.C. § 285 .....	5
7	35 U.S.C. § 287(a) .....	10
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

1 Pursuant to the Standing Order for Civil Trials Before Judge James Donato, Open Text  
 2 S.A. (“Open Text”) submits the following Trial Brief.

3 **I. CAUSES OF ACTION**

4 Open Text alleges that Defendants directly and indirectly infringe the following claims  
 5 (the “Asserted Claims”) of the following patents (“Patents-in-Suit”):

<b>U.S. Patent No.</b>	<b>Asserted Claims</b>	<b>Patent Family</b>	<b>Type of Infringement</b>
7,062,515	10, 15, 27	File Sync	Direct and Indirect
8,117,152	2, 11, 15	File Sync	Direct and Indirect
7,590,665	4	File Sync	Direct and Indirect
6,223,177	5, 7, 11	Groupware	Direct
6,917,962	6, 15	Groupware	Direct
7,287,055	22	Groupware	Direct
7,299,258	27	Groupware	Direct
7,320,018	5	Groupware	Direct

12 **A. Direct Infringement**

13 Pursuant to 35 U.S.C. § 271(a), Open Text asserts direct infringement claims against  
 14 Defendants for making, using, offering for sale, selling, and/or importing into the United States  
 15 the accused services and features. Applying the Court’s claim constructions, Open Text will  
 16 show each and every limitation of the Asserted Claims are present in the accused services and  
 17 features—a question of fact—by a preponderance of the evidence. *Markman v. Westview*  
 18 *Instruments, Inc.*, 517 U.S. 370, 385 (1996); *Cross Med. Prods., Inc. v. Medtronic Sofamor*  
 19 *Danek, Inc.*, 424 F.3d 1293, 1310 (Fed. Cir. 2005); *Johnston v. IVAC*, 885 F.2d 1574, 1577 (Fed.  
 20 Cir. 1989). Additional elements do not avoid infringement if the device includes all the claimed  
 21 limitations. *N. Telecom, Inc. v. Datapoint Corp.*, 908 F.2d 931, 945 (Fed. Cir. 1990).

22 **B. Indirect Infringement**

23 Pursuant to 35 U.S.C. § 271(b) and 35 U.S.C. § 271(c), Open Text asserts indirect  
 24 infringement claims against Defendants for offering for sale, selling, and/or importing Box Edit  
 25 within the United States, and for its actively inducing customers or suppliers to use, offer to sell,  
 26 sell, and import into the United States Box Edit and Box for Android.

27 **1. Contributory Infringement**

28 The Defendants contributorily infringe the Patents-in-Suit under § 271(c) by providing

1 Box Edit, which is known to be intended for infringing the File Sync asserted claims and is useful  
 2 only for infringement. *PharmaStem Therapeutics, Inc. v. ViaCell, Inc.*, 491 F.3d 1342, 1358  
 3 (Fed. Cir. 2007). Defendants' customers, users, and resellers are direct infringers. *See Aro Mfg.*  
 4 *Co. v. Convertible Top Replacement Co.*, 377 U.S. 476, 482-83 (1964). Further, (1) Defendants  
 5 supplied an important component for infringement—Box Edit, itself; (2) Box Edit is not a  
 6 common component suitable for non-infringing use; and (3) Defendants supplied Box Edit with  
 7 the knowledge of the File Sync Patents and knowledge that Box Edit was especially made or  
 8 adapted for use in an infringing manner. *See id.*, at 487-88.

## 9           **2.        Induced Infringement**

10 Defendants are liable for inducing the direct infringement of the File Sync asserted claims  
 11 by their customers, users, and resellers under § 271(b) for the Box Edit and Box Android  
 12 Application editing features. The evidence further demonstrates that Defendants:

13           1.        have intentionally taken action that actually induced direct infringement;  
 14           2.        have been aware of the File Sync Patents; and  
 15           3.        have known or should have known that the acts they were causing would infringe  
 16 the patents. *Global-Tech Appliances, Inc. v. SEB S.A.*, 131 S.Ct. 2060, 2065-68 (2011). Open  
 17 Text can also show the requisite knowledge using the doctrine of willful blindness by showing (1)  
 18 Defendants subjectively believe that there is a high probability that the induced acts were  
 19 infringing and (2) Defendants took deliberate actions to avoid learning of that fact. *Id.* at 2070.

20           The Supreme Court recently granted certiorari of a 2013 Federal Circuit decision  
 21 regarding defenses to induced infringement. *See Commil USA v. Cisco Sys.*, 720 F.3d 1361 (Fed.  
 22 Cir. 2013) *cert. granted* 190 L. Ed. 474 (2014) (reviewing whether a defendant's belief that a  
 23 patent is invalid is a proper defense).

## 24           **C.        Willful Infringement**

25           Open Text asserts that Defendants have and continue to willfully infringe each of the  
 26 Asserted Claims since being served with the Complaint in this case. The clear and convincing  
 27 evidence demonstrates (1) that Defendants "acted despite an objectively high likelihood that its  
 28 actions constituted infringement of a valid patent," and (2) that this objectively defined risk "was

1 either known or so obvious that it should have been known to the accused infringer." *In re*  
 2 *Seagate*, 497 F.3d at 1371. The first prong of this test is an objective determination of  
 3 recklessness, and, while predicated on underlying mixed questions of law and fact, is ultimately  
 4 decided by the judge as a question of law. *Bard Peripheral Vascular, Inc. v. W.L. Gore &*  
 5 *Assocs., Inc.*, 682 F.3d 1003, 1006-07 (Fed. Cir. 2012). In considering the objective prong, the  
 6 jury may determine any underlying facts, but the ultimate legal question of whether there was a  
 7 high likelihood of infringement of a valid patent must be decided by the Court. *Id.* at 1008. The  
 8 second prong of the test is subjective and should be decided by the jury. *Id.*

9 Here, there is no dispute that Defendants knew of the patents and the infringing activity  
 10 and continued with their infringing behavior. Thus, the only issues are (1) whether Defendants'  
 11 reliance on their invalidity defense was reasonable and (2) whether Defendants' knew or should  
 12 have known its reliance on the defense was unreasonable. The evidence will show that  
 13 Defendants were unreasonable and knew or should have known so. Defendants have not even  
 14 demonstrated that the references that are the bases for their defense qualified as prior art, let alone  
 15 that the references invalidate the claims.<sup>1</sup>

16 **D. Damages, Fees, and Costs**

17 **1. Reasonable Royalty**

18 Should Open Text prevail in showing Defendants infringe its valid patents, Open Text is  
 19 entitled to past damages of at least a reasonable royalty, plus an accounting for past damages  
 20 accrued for infringement post-dating Defendants' production through judgment. *Dow Chem. Co.*  
 21 *v. Mee Indus., Inc.*, 341 F.3d 1370, 1381-82 (Fed. Cir. 2003). Damages in patent infringement  
 22 cases are governed by 35 U.S.C. § 284, which states:

23 Upon finding for the claimant the court shall award the claimant damages adequate  
 24 to compensate for the infringement but in no event less than a reasonable royalty  
 25 for the use made of the invention by the infringer, together with interest and costs  
 26 fixed by the court.

---

27 <sup>1</sup> Defendants have indicated an intent to rely on the preliminary injunction proceedings to defend  
 28 against willfulness and other claims in this case. Open Text has moved *in limine* to preclude  
 reference to the preliminary injunction proceedings during the trial as inadmissible hearsay,  
 among other grounds. (Open Text Motion *in limine* No. 2.)

1           The determination of a reasonable royalty is based upon a “hypothetical negotiation,  
 2 which “requires the court to envision the terms of a licensing agreement reached as the result of a  
 3 supposed meeting between the patentee and the infringer at the time infringement began.” *Rite-*  
 4 *Hite Corp. v. Kelley Co.*, 56 F.3d 1538, 1554 (Fed.Cir.1995) (en banc). The damages analysis  
 5 should “make whole” Open Text for damages suffered due to Defendants’ infringement. To  
 6 determine Open Text’s compensation for Defendants’ infringement, the fact finder may consider  
 7 additional factors, including opinion testimony of qualified experts, the relationship of the parties,  
 8 and other factors that might warrant higher damages. *Maxwell v. Baker, Inc.*, 86 F.3d 1098, 1109-  
 9 10 (Fed. Cir. 1996). A comprehensive list of factors relevant to determining a reasonable royalty  
 10 in a hypothetical negotiation is set forth in the leading decision of *Georgia-Pacific Corp. v.*  
 11 *United States Plywood Corp.*, 318 F. Supp. 1116 (S.D.N.Y.1970).

12           The royalty calculation for past damages<sup>2</sup> involves two determinations: (1) a “royalty  
 13 base” representing the revenue generated by Defendants’ alleged infringement, and (2) the  
 14 “royalty rate” representing the percentage of that revenue owed to Open Text. *See, e.g.,*  
 15 *WhitServe, LLC v. Computer Packages, Inc.*, 694 F.3d 10, 27-28 (Fed. Cir. 2012).

16           **2. Prejudgment Interest**

17           Open Text requests prejudgment interest for Defendants’ damages. Prejudgment interest  
 18 must be awarded in patent cases absent some substantial justification for withholding it. *General*  
 19 *Motors Corp. v. Devex Corp.*, 461 U.S. 648, 657 (1983). An award of prejudgment interest is  
 20 necessary to ensure that Open Text is placed in as good a position as he would have been had  
 21 Defendants entered into a reasonable royalty agreement. *Id.* at 655. The rate at which prejudgment  
 22 interest is to be assessed is within the discretion of the Court. *Id.* at 656-57. “It has been  
 23 recognized that an award of compound rather than simple interest assures that the patent owner is  
 24 fully compensated.” *Rite-Hite Corp. v. Kelley Co., Inc.*, 56 F.3d 1538, 1555 (Fed. Cir. 1995).

25           **3. Enhanced Damages**

---

27           <sup>2</sup> As discussed in greater detail in Open Text’s Motion *in limine* No. 4, Defendants’ proposed  
 28 lump sum damages award that would include future damages is an improper attempt to have the  
 jury decide an equitable issue and to deprive Open Text of its requested injunctive relief.

1           Open Text asks for treble damages to compensate it for Defendants' post-filing willful  
 2 infringement. The decision to award enhanced damages for willful infringement is within the  
 3 discretion of the Court. *Brooktree Corp. v. Advanced Micro Devices, Inc.*, 977 F.2d 1555, 1581  
 4 (Fed. Cir. 1992). As described above, Defendants are guilty of conduct on which increased  
 5 damages may be based. *WhitServe*, 694 F.3d at 37 (Fed. Cir. 2012). An act of willful  
 6 infringement satisfies th[e] culpability requirement and is, without doubt, sufficient to meet the  
 7 first requirement to increase a compensatory damages award. *Id.* Once Open Text establishes  
 8 such conduct, the Court should exercise its discretion and determine whether and to what extent  
 9 to increase the damages award, given the totality of the circumstances. *Id.* Courts are permitted to  
 10 treble damages under 35 U.S.C. § 284, which is justified in this case.

11           **4. Attorneys' Fees**

12           Open Text also requests attorneys' fees at least as a result of Defendants' willful  
 13 infringement. It is within the Court's discretion whether to award attorney fees under 35 U.S.C. §  
 14 285 based on finding willful infringement. *Avia Group Int'l, Inc. v. L.A. Gear Cal., Inc.*, 853 F.2d  
 15 1557, 1567 (Fed.Cir. 1988). Although an attorney fee award is not mandatory, there must be  
 16 sufficient justification for denying Open Text attorney fees for Defendants willful infringement.  
 17 *WhitServe*, 694 F.3d at 37.

18           **5. Accounting**

19           Open Text asks for an accounting of Defendants' damages from October 31, 2014, when  
 20 fact discovery and expert reports were completed, through the entry of final judgment. District  
 21 courts have discretion to award damages for periods of infringement not considered by the jury.  
 22 *WhitServe*, 694 F.3d at 38. Section 284 requires courts to assess damages not found by the jury.  
 23 35 U.S.C. § 284; *see also Finjan, Inc. v. Secure Computing Corp.*, 626 F.3d 1197, 1212-13 (Fed.  
 24 Cir. 2010) (trial court erred when it did not award damages for the time between entry of  
 25 judgment and entry of an injunction because otherwise the patentee would not be fully  
 26 compensated); *Fresenius USA, Inc. v. Baxter Int'l, Inc.*, 582 F.3d 1288, 1303 (Fed.Cir.2009).

27           **6. Injunctive Relief**

28           Open Text seeks to enjoin Defendants from future infringement. An injunction is proper

1 because: (1) Open Text has suffered an irreparable injury; (2) remedies available at law, such as  
 2 monetary damages, are inadequate to compensate Open Text for that injury; (3) considering the  
 3 balance of hardships between the Open Text and Defendants, a remedy in equity is warranted;  
 4 and (4) the public interest would not be disserved by an injunction. *eBay Inc. v. MercExchange,*  
 5 *LLC* 547 U.S. 388, 391 (2006). The issues associated with injunctive relief are equitable issues to  
 6 be decided by the judge rather than the jury. *See id.* at 394. Open Text will establish each of these  
 7 factors through witness testimony and evidence.

8 Open Text will establish a causal nexus between Defendants' infringement and the  
 9 irreparable harm that infringement caused. *Apple Inc. v. Samsung Electronics Co.* 735 F.3d 1352,  
 10 1360-61 (Fed. Cir. 2013). The patented features drive consumer demand for the accused product.  
 11 Further, Open Text is not required to show that the feature is the only reason for customer  
 12 demand. *Id.* at 1364. Here, the evidence demonstrates that traditional remedies, such as monetary  
 13 damages, are inadequate to compensate it for the irreparable harm it has suffered. *See eBay*, 547  
 14 U.S. at 391. For example, the harm suffered by Open Text by the ongoing infringement of a  
 15 competitor is not adequately compensated by money damages. And, although it does not end the  
 16 analysis, a Defendants' inability to pay a judgment or unlikelihood to stop infringing can  
 17 demonstrate the inadequacy of damages. *See Robert Bosch LLC v. Pylon Mfg. Corp.*, 659 F. 3d  
 18 1142, 1155-56 (Fed. Cir. 2011).

19 **II. REMAINING DEFENSES**

20 **A. Validity**

21 Open Text opposes each of Defendants' invalidity arguments and maintains that the  
 22 Patents-in-Suit are valid. A patent is presumed to be valid. 35 U.S.C. § 282. Defendants bear the  
 23 burden of proving invalidity, and they must prove each invalidity defense by clear and convincing  
 24 evidence. *Microsoft Corp. v. i4i Ltd. Partnership*, 131 S. Ct. 2238, 2242 (2011); *Monarch*  
 25 *Knitting Mach. Corp. v. Sulzer Morat GmbH*, 139 F.3d 877, 881(Fed. Cir. 1998); *Titan Tire*  
 26 *Corp. v. Case New Holland, Inc.*, 566 F.3d 1372, 1376 (Fed. Cir. 2009)..

27 **1. Prior Art**

28 Defendants must first demonstrate that each reference is prior art under 35 U.S.C. § 102.

1      See *SRI Intern., Inc. v. Internet Sec. Sys., Inc.*, 511 F.3d 1186, 1192-98; see also *DeLorme Publ'g Co. v. BriarTek IP, Inc.*, No. 13-CV-640, 2014 WL 6603988, at \*4 (E.D. Va. Nov. 19, 2014);  
 2      (Dkt. Nos. 308, 383, 355 at 2-7, 19-22.)

3      Under §102(a), Defendants must show the invention was “known or used by others in this  
 4      country, or patented or described in a printed publication,” prior to its invention by the named  
 5      inventor. Establishing an invention was “known or used by others in this country” requires  
 6      Defendants to prove that a complete and adequate description of the prior art system was publicly  
 7      accessible in the United States to one of ordinary skill in the art. *Aspex Eyewear, Inc. v. Revolution Eyewear, Inc.*, No. CV99-1623LGB, 2001 WL 34852696, \*8 (C.D. Cal. 2001).  
 8      Public accessibility requires more than the mere existence of software on a website. See *SRI Int'l, Inc. v. Internet Sec. Sys.*, 511 F.3d 1186, 1194 (Fed. Cir. 2008). For prior art to anticipate  
 9      because it is ‘known,’ under § 102(a) the knowledge must be publicly accessible.” *Chemque*, 303  
 10     F.3d at 1306. Additionally, the disclosure must enable one with ordinary skill in the art to “make  
 11     or carry out the claimed invention without undue experimentation.” *Id.* (citations omitted). The  
 12     “use must be accessible to the public,” and there must be “direct evidence” or “substantial  
 13     evidence to overcome the presumption of validity and support a jury finding of use.” *Id.* at 1307  
 14     (citations omitted). While “‘public use’ for purposes of § 102(b) is defined differently from ‘use’  
 15     for purposes of § 102(a), both require actual use by someone at some point.” *Id.* at 1307.  
 16

## 17      2.      Anticipation

18      For anticipation, if Defendants establish a reference is prior art under §102(a) or (b), they  
 19      then must show “each claim element must be disclosed, either expressly or inherently, in a single  
 20      prior art reference, and the claimed arrangement or combination of those elements must also be  
 21      disclosed, either expressly or inherently, in that same prior art reference.” *Therasense, Inc. v. Becton, Dickinson & Co.*, 593 F.3d 1325, 1332-33 (Fed. Cir. 2010). Except in very rare  
 22      circumstances, a combination of multiple sources does not constitute a single § 102 prior art  
 23      reference. See M.P.E.P. § 2131.01 (Pre-AIA); *Kyocera Wireless Corp. v. ITC*, 545 F.3d 1340,  
 24      1351-52 (Fed. Cir. 2008). Evaluation of anticipation is a two-step analysis: first, the claim must  
 25      be construed, a question of law; second, the claim is compared to the prior art, a question of fact.  
 26

1     In re Hiok Nam Tay, No. 2014-1415, 2014 U.S. App. LEXIS 19815, at \*3 (Fed. Cir. Oct. 14,  
2     2014).

### 3. Obviousness

4 For obviousness, if Defendants prove that the references are prior art, the Defendants must  
5 then show “the subject matter as a whole would have been obvious at the time the invention was  
6 made to a person having ordinary skill in the art to which said subject matter pertains.” 35 U.S.C.  
7 § 103. Obviousness is a question of law based on underlying questions of fact; the Court, not the  
8 jury, should make the legal conclusion on the obviousness question based on underlying factual  
9 determinations made by the jury. *KSR Int'l Co. v. Teleflex, Inc.*, 550 U.S. 398, 427 (2007). When  
10 determining the question of obviousness, the Court should consider (1) the scope and content of  
11 the prior art; (2) the level of ordinary skill in the art; (3) the differences between the claimed  
12 invention and the prior art; and (4) the objective evidence of nonobviousness. *Iron Grip Barbell  
13 Co., Inc. v. USA Sports, Inc.*, 392 F.3d 1317, 1320 (Fed. Cir. 2004) (citing *Graham v. John Deere  
14 Co.*, 383 U.S. 1, 17-18 (1966)).

15        The presumption of validity cannot be overcome without offering evidentiary support  
16        beyond an expert’s conclusory opinion. *KSR*, 550 U.S. at 418. “[A] patent composed of several  
17        elements is not proved obvious merely by demonstrating that each of its elements was,  
18        independently, known in the prior art.” *Id.* Instead, where an invention is attacked on the basis  
19        that it combines known elements from the prior art, it is “important to identify a reason that  
20        would have prompted a person of ordinary skill in the relevant field to combine the elements in  
21        the way the claimed new invention does.” *Id.*; *see also Fresenius USA, Inc. v. Baxter Int’l, Inc.*,  
22        582 F.3d 1288, 1300 (Fed. Cir. 2009). Secondary considerations of non-obviousness are an  
23        important factual question that the court “must always consider.” *Transocean Offshore*  
24        *Deepwater Drilling, Inc. v. Maersk Contractors USA, Inc.*, 617 F.3d 1296 1305 (Fed. Cir. 2010).

#### 4. Unpatentable Subject Matter

26 Defendants contend that the Groupware Asserted Claims are unpatentable under 35  
27 U.S.C. § 101. To be unpatentable, Defendants must show that the Asserted Claims are outside of  
28 the four broad categories of patentable inventions: processes, machines, manufactures, and

1 compositions of matter. 35 U.S.C. § 101. Defendants must first show that the Asserted Claims are  
 2 “directed to one of those patent-ineligible concepts”—a law of nature, physical phenomenon, or  
 3 abstract idea. *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2355 (2014). Defendants  
 4 must also prove that there is no “inventive concept” that “ensure[s] that the patent in practice  
 5 amounts to significantly more than a patent upon the [ineligible concept] itself.” *Alice*, 134 S. Ct.  
 6 at 2355. As set forth in Open Text’s Opposition to Defendants’ motion on the subject, Defendants  
 7 fail on both grounds. *See id*; (Dkt. No. 343.) As such, the Asserted Claims meet the requirements  
 8 of § 101. *Alice*, 134 S. Ct. at 2355.

## 9           **5.        Obviousness-Type Double Patenting**

10          Defendants have sought leave to add this defense to the case (Dkt. No. 274), but their  
 11 motion has not been granted. If granted, Open Text will address the new defense at that time.

## 12           **6.        Enablement**

13          Defendants allege that the asserted claims of the ‘962 patent are not properly enabled.<sup>3</sup>  
 14 But, the specification enables any mode of making and using the invention. *Johns Hopkins Univ.*  
 15 *v. CellPro, Inc.*, 152 F.3d 1342, 1361 (Fed. Cir. 1998). “The scope of patent claims must be less  
 16 than or equal to the scope of the enablement. The scope of enablement, in turn, is that which is  
 17 disclosed in the specification plus the scope of what would be known to one of ordinary skill in  
 18 the art without undue experimentation.” *Invitrogen Corp. v. Clontech Labs., Inc.*, 429 F.3d 1052,  
 19 1070-71 (Fed. Cir. 2005) (citations omitted). As long as the specification of the Patents-in-Suit  
 20 discloses at least one method for making and using the claimed invention that bears a reasonable  
 21 correlation to the entire scope of the claim, the enablement requirement is satisfied. *In re Fisher*,  
 22 427 F.2d 833, 839 (C.C.P.A. 1970).

## 23           **B.        Carahsoft’s Double Recovery Defense**

24          To establish double recovery, Defendants must first prove that Open Text “has collected  
 25 from or on behalf of a direct infringer damages sufficient to put him in the position he would have  
 26 occupied had there been no infringement.” *Aro Mfg Co. v. Convertible top Replacement Co.*, 377

---

27          <sup>3</sup> Defendants have recently indicated an intention to pursue an undisclosed lack of enablement  
 28 claim against the File Sync Asserted Claims, which will be addressed in forthcoming briefing.

1 U.S. 476, 512 (1964). Only then is Open Text barred from further collecting additional damages.  
 2 *Id.* This rule is inapplicable, however, until Open Text has been fully compensated for  
 3 Defendants' patent infringement. *See id.* Carahsoft therefore seeks an advisory ruling.

4 **C. 28 U.S.C. 1498 Immunity Defense**

5 Defendants bear the burden of proof on each and every element of its governmental  
 6 immunity defense under 28 U.S.C. § 1498(a). *Toxgon Corp. v. BNFL, Inc.*, 312 F.3d 1379, 1383  
 7 (Fed. Cir. 2002). Defendants assert this defense only with respect to the infringing products that  
 8 were "used" "by the United States." 28 U.S.C. § 1498(a). Establishing the infringing product  
 9 was used by the United States requires Defendants to show, at the time of the sale, the end use  
 10 was understood to be by the United States government. *Systron-Donner Corp. v. Palomar Sci.*  
 11 *Corp.*, 239 F. Supp. 148, 149-50 (N.D. Cal. 1965). Defendants must establish the government  
 12 intended to waive its sovereign immunity and assume liability for patent infringement. *Larson v.*  
 13 *United States*, 26 Cl. Ct. 365, 369-370 (Ct. Cl. 1992). Open Text has sought summary judgment  
 14 to dispose of this defense. (Dkt. No. 297, 367.)

15 **D. Defendants' Failure to Mark Defense**

16 In order to establish the defense of failure to mark and to limit damages to infringement  
 17 that post-dated actual or constructive notice, Defendants must show that the patent owner failed to  
 18 mark the patented articles offered for sale, sold, or imported into the United States before the date  
 19 it was put on notice. *Selant Sys. Int'l v. TEK Global S.R.L.*, 2014 U.S. Dist. LEXIS 31528, at  
 20 \*109 (N.D. Cal. 2014). A finding of failure to mark requires that (1) the patentee or a licensee  
 21 had a patented article in commerce that practiced the patents and (2) if so, the patentee or licensee  
 22 failed to mark that product. 35 U.S.C. § 287(a); *see SRI Int'l, Inc. v. Advanced Tech. Labs., Inc.*,  
 23 127 F.3d 1462, 1469 (Fed. Cir. 1997); *Tulip Computers Int'l B.V. v. Dell Computer Corp.*, 262 F.  
 24 Supp. 2d 358, 362 (D. Del. 2003). Here, the evidence shows that Open Text did mark.  
 25 Moreover, Defendants have adduced no evidence that there were additional products that required  
 26 marking that were not marked. (Dkt. No. 355 at 39-40.)

27

28

1 Dated: December 31, 2014

COOLEY LLP

3 *s/ Sarah J. Guske*

4 Thomas J. Friel, Jr. (SBN 80065)

5 Sarah J. Guske (SBN 232467)

6 Wayne O. Stacy (*pro hac vice*)  
7 Brian J. Eutermoser (*pro hac vice*)  
8 Britton F. Davis (*pro hac vice*)  
9 Sara J. Bradford (*pro hac vice*)  
10 Angela L. Campbell (*pro hac vice*)  
11 COOLEY LLP  
12 380 Interlocken Crescent, Suite 900  
13 Broomfield, CO 80021-8032  
14 Telephone: (720) 566-4000  
15 Facsimile: (720) 566-4099  
16 wstacy@cooley.com  
17 sguske@cooley.com  
18 beutermoser@cooley.com  
19 bdavis@cooley.com  
20 sbradford@cooley.com  
21 acampbell@cooley.com

22 *Attorneys for Plaintiff Open Text S.A.*

23 111901576 v6

24  
25  
26  
27  
28